

The Global Commitment to Health Demonstration

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What are 1115 Waivers?

- ▶ Federal government can “waive” many, but not all, of the laws governing Medicaid, including eligible people and services.
- ▶ Section 1115 waiver authority is intended to encourage state innovation in the Medicaid program.
- ▶ Often, states identify ways to save Medicaid funds and are permitted to use the savings to expand coverage
- ▶ The federal government approves Section 1115 Demonstrations for five-year terms, but Demonstrations can be extended.
- ▶ **Section 1115 waivers must be budget neutral.**

Without a waiver:

- ▶ Medicaid is limited to what is approved by CMS in the Medicaid State Plan – mandatory and optional populations and services.
- ▶ Medicaid is strictly administered in compliance with Medicaid regulations (either FFS or Managed Care).

Why does Vermont have a Waiver?

Vermont has had an 1115 waiver since 2005, allowing:

1. FFP for populations and services that are not authorized under the State Plan*
 - Marketplace subsidy (up to 300% FPL)
 - CRT (138-185% federal poverty limit)
 - Vpharm
 - Moderate Needs
 - Investments
 - SUD IMD payments
 - Cost-Effective alternatives
 - Children's palliative care service
2. Flexibility to manage using a unique delivery model – Public Managed Care
Waivers of:
 - Payments outside of State Plan
 - State-wideness/Uniformity
 - Reasonable Promptness (CFC only)
 - Amount, Duration, and Scope (limits service array for some pops)
 - Freedom of Choice of Providers (allows restriction)
 - Upper Payment Limit (above Medicare amounts)

Medicaid Eligibility: Waiver Populations

Allowable without Waiver (WOW)

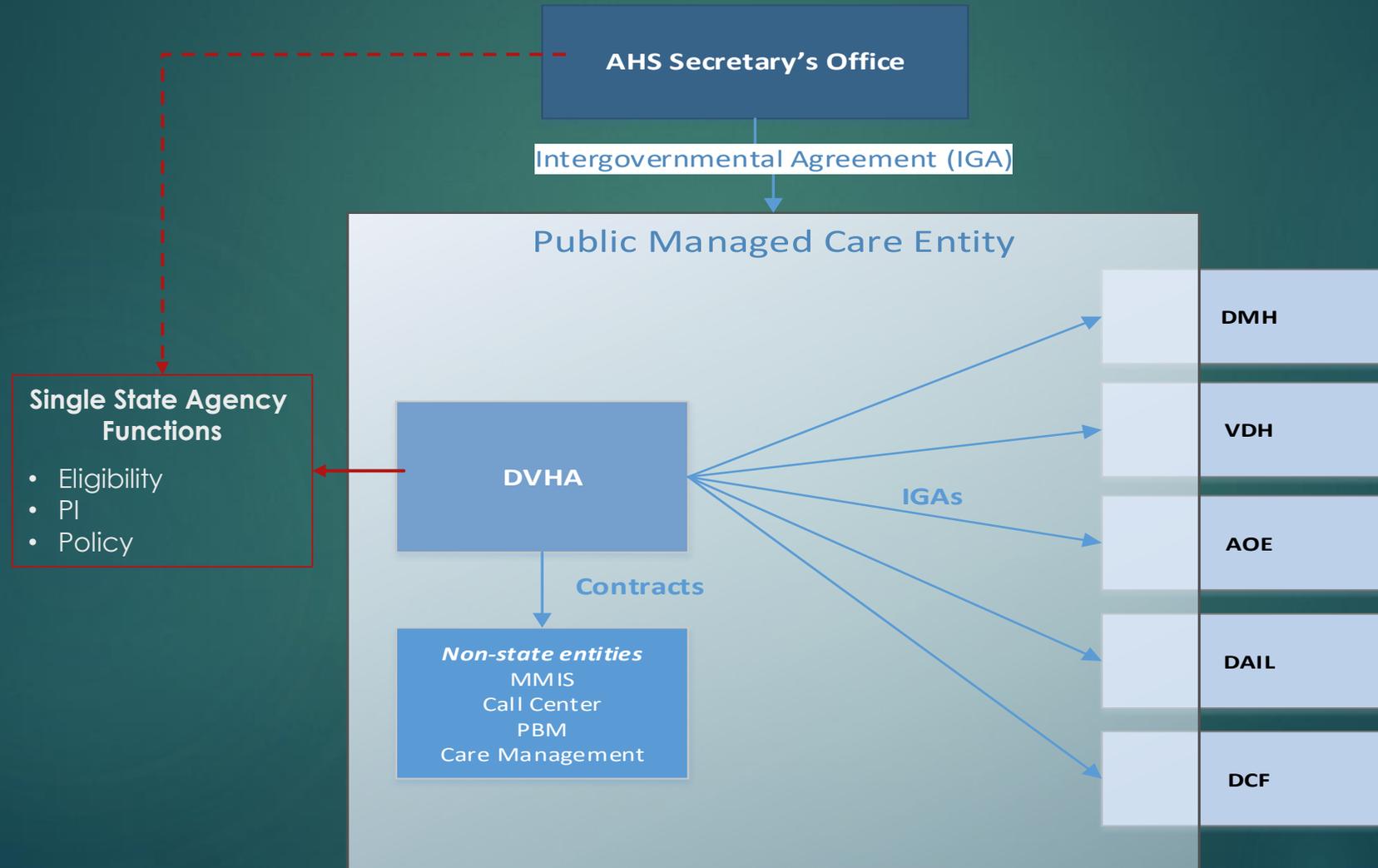
| Medicaid State Plan Eligibility Groups – Full State Plan Benefits | | |
|--|---|---|
| Aged, Blind, Disabled Eligible for SSI or otherwise meet financial eligibility for ABD 24,062 | New Adults at or below 138% FPL who are: <ul style="list-style-type: none"> • Not Pregnant • Not 65 or older • Not Receiving Medicare 57,180 | Working Disabled at or below 250% FPL |
| Pregnant Women [Dr. Dynasaur] at or below 213% FPL | Children under 19 [Dr. Dynasaur] at or below 317% FPL 64,063 | Katie Beckett Disabled children under 19 meeting institutional level of care. Parental income/resources not counted. 2,040 |
| HCBS for Designated State Plan Populations – Full State Plan Benefits + HCBS | | |
| CFC Highest/High Needs -DAIL | | Children under 21 with Severe Emotional Disturbance -DMH |
| Developmental Disabilities -DAIL | | Traumatic Brain Injury -DAIL |

With Waiver Only (WW)

| Limited Benefit Waiver Groups – Not State Plan Eligible | | Waiver Only Expenditures |
|--|---|---|
| VPharm For Medicare beneficiaries with income 150 - 225% FPL. 10,521 | Moderate Needs -DAIL Below 300% of SSI benefit rate who meet clinical criteria and are at risk of institutionalization. | Investments |
| Marketplace Subsidy Program For individuals at or below 300% FPL who purchase health care coverage in VHC. 17,072 | Community Rehabilitation Treatment -DMH For individuals with severe and persistent mental illness 138 - 185% FPL | SUD IMD Payments -VDH |
| | | Cost-Effective Alternatives |
| | | Palliative Care for under 21 - VDH ~60 |

Waiver Delivery Model

[Public Non-Risk PIHP]



The Global Commitment to Health Demonstration: 2022 Renewal

Unprecedented Flexibility

- ▶ **More Dollars to Stabilize and Promote Continued Innovation in Vermont's Health Care System.** This demonstration gives Vermont the ability to use Medicaid funding for a diverse set of investments in public health, health care, and health-related services that strengthen the social safety net to address social factors that influence health.
- ▶ **Budget Neutrality (BN) Adjustments to Increase Provider Rates.** 1115 waivers are subject to BN "caps," or a limit on the amount of Medicaid spending. Vermont will have a first-in-nation ability to adjust BN caps mid demonstration to account for provider rate increases. This will enable us to be nimble in responding to providers' needs and reflects the State's commitment to supporting providers as they continue to provide critical services to their patients.
- ▶ **Strengthening Providers' Data Exchange Capabilities to Advance Population Health.** With the approval of the \$14.9 million Medicaid Data Aggregation and Access Program (MDAAP), Vermont will join a small cohort of states that are using Medicaid funding to administer incentive payments to expand providers' HIT capabilities. Vermont plans for the MDAAP funding to be used to help 275+ Medicaid-enrolled mental health, SUD, and LTSS providers—which have historically been excluded from federal HIT initiatives—purchase the systems and tools they need to capture and exchange data and use it meaningfully to manage and improve population health.

New and Expanded Coverage

- ▶ **Expanded Access to SUD Treatment for Vermonters Above Medicaid Income Limit.** Vermont will be the first state in the nation to expand access to critical SUD treatment services for individuals whose income is above Medicaid limits. Starting in 2024, individuals with incomes above 133% FPL up to 225% FPL (\$1,506-\$2,548 per month for a single adult) will be eligible for the SUD Community Intervention and Treatment program, which will offer a comprehensive set of SUD benefits, including service coordination, recovery supports, psychoeducation, peer supports, residential treatment, withdrawal management, counseling, and skilled therapy services. [1/2025]
- ▶ **Permanent Supportive Housing Program.** To support Medicaid enrollees in securing and maintaining housing appropriate for their needs, Vermont obtained approval to implement a Supportive Housing Assistance Pilot that will offer a range of pre-tenancy supports, tenancy sustaining services, and community transition services. [1/2025]
- ▶ **CRT – No income limit.** Previous waiver capped CRT program to 185% FPL, with investments providing coverage for individuals over income. [7/2022]
- ▶ **New Peer Support Benefit for SUD and CRT.** Peer specialists use lived experience to help individuals and their families understand and develop the skills to address mental illness, SUD, and other health conditions. Core functions include providing recovery, health, and wellness supports; supporting individuals in accessing community-based resources and navigating state and local systems; providing employment supports, including educating individuals regarding services and benefits available to assist in transitioning into and staying in the workforce; and promoting empowerment and a sense of hope through self-advocacy. [Upon plan design]

New and Expanded Coverage

- ▶ **Sustainable funding for Lund Home.** The Lund Home—Vermont’s residential mental health and SUD treatment program for pregnant women, postpartum women, and mothers—offers a unique care model that allows families to stay together during treatment. Through the Global Commitment renewal, Vermont can continue to provide Medicaid reimbursement to the Lund Home and is the first state to obtain federal Medicaid matching funds for maternal health and treatment services offered in a residential facility focused on this specialized population. This allows Lund to be sustainably funded through Medicaid program and no longer subject to the IMD phasedown. [7/2022]
- ▶ **Reimbursement of Personal Care and Life Skills Aide for Parents and Caretakers (BI, Children’s, DS).** [Upon rulemaking]
- ▶ **Choices for Care New Life Skills Aide Benefit.** Addition of “life skills aide” service to the CFC service array for High/Highest groups. To provide training in specific Activities of Daily Living identified in the treatment plan designed to promote independent living and community re-integration. [Upon rulemaking]
- ▶ **CFC: Moderate Needs Change to Clinical Criteria.** Revise the CFC Moderate Needs Group clinical eligibility criteria to ensure that services are targeted to at-risk Vermonters with the most acute needs. Change will help to better manage long waitlists. [After MOE ends]
- ▶ **Increased Pharmacy Benefit for Low-Income elderly Vermonters:** Extension of Medicaid-equivalent pharmaceutical coverage to VPharm eligible individuals with incomes up to 225% FPL. [7/2022]

HCBS 1115 Requirements & Related Actions¹⁰

- ▶ In 2014, CMS issued HCBS Regulations which prescribe requirements for HCBS waiver programs (e.g., person-centered planning, settings, assurances).
- ▶ The GC 1115 waiver, renewed July 2022, incorporated requirements related to the 2014 HCBS Regulations and LTSS protections. Many of these requirements have associated milestones and deliverables:
 1. Conflict Free Case Management (CFCM)
 2. HCBS Settings Rule
 3. Assurances/Quality Improvement Strategy
- ▶ Ongoing compliance with the GC 1115 waiver STCs and related reporting is necessary to maintain Federal funding.